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18 October 2024

CloudCoCo Group plc
("CloudCoCo", the "Company" or the "Group")

Proposed Disposal of CloudCoCo Connect Limited

CloudCoCo (AIM: CLCO), a leading UK provider of managed IT services and communications solutions to private and public sector organisations, announces that one of its subsidiaries, CloudCoCo Holdings Limited ("**Holdings**"), has entered into an agreement to conditionally dispose of its wholly owned subsidiary, CloudCoCo Connect Limited ("**CloudCoCo Connect**") to The BE Company of United Kingdom Limited ("**The BE Company**") for cash consideration of £250,000, including the sale of net liabilities in excess of £1.7 million (the "**Proposed Disposal**").

The Board intends to use the cash proceeds from the Proposed Disposal for working capital purposes.

The BE Company is a provider of clean energy infrastructure for power-intensive industries, utilising a project developer model that promotes Clean Energy-as-a-Service. Their core competencies include project development, management, and financing, offering low-cost clean energy at an industrial scale.

CloudCoCo Connect offers co-location and data centre services to 260 data centre and network customers across its infrastructure located in 32 data centres across the UK. As announced on 16 October 2024, certain assets of the managed services, lifecycle and cloud divisions from CloudCoCo Connect have been transferred to CloudCoCo Limited for the conditional sale of that company (the "**Re-organisation**"). For the year ended 30 September 2023 and after the Re-organisation, CloudCoCo Connect contributed approximately £7.4 million of revenues to the Group and had a loss before tax of approximately £99,000.

Completion of the Proposed Disposal will occur following satisfaction of the condition precedent as set out in the share purchase agreement ("**Completion**"), being the completion of the transfer of contracts of employment of certain employees to The BE Company group pursuant to the Transfer of Undertakings (Protection of Employment) Regulations 2006. The Board currently expects Completion to occur on 31 October 2024. The Proposed Disposal is not conditional on the sale of CloudCoCo Limited that was announced on 16 October 2024.

Following completion of the Proposed Disposal and the sale of CloudCoCo Limited (as announced on 16 October 2024), the Company will continue as an IT value-added reseller (VAR) to deliver enterprise-grade, on-demand IT products and services to customers through its wholly owned subsidiaries, Systems Assurance Limited and More Computers Limited.

Simon Duckworth, Non-Executive Chair, commented:

"The sale of CloudCoCo Connect to The BE Company allows the Group to focus on expanding our IT value-added reseller and e-commerce businesses, areas where we see significant opportunities for organic growth. This strategic shift will position us to better navigate future challenges and explore new opportunities for the benefit of all shareholders. I would like to thank all of our colleagues in the

Connect business for their hard-work and dedication and wish them a prosperous future under new owners, who have exciting plans for that business.”

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CloudCoCo Group plc

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Via Alma

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About CloudCoCo

Supported by a team of industry experts and harnessing a diverse ecosystem of partnerships with blue-chip technology vendors, CloudCoCo makes it easy for private and public sector organisations to work smarter, faster and more securely by providing a single point of purchase for their Connectivity, Multi-Cloud, Collaboration, Cyber Security, IT Hardware, Licencing, Support and Professional Services.

CloudCoCo has headquarters in Leeds and regional offices in Warrington, Sheffield and Bournemouth.

www.cloudcoco.co.uk